

**PRESS CONFERENCE WITH USTR ROBERT ZOELLICK, COLOMBIAN
MINISTER OF TRADE JORGE H. BOTERO
CASA DE NARIÑO BOGOTÁ, COLOMBIA
August 8, 2003**

MC: Thank you for being here. We have the Minister of Commerce of Colombia and Ambassador Robert Zoellick. The Ambassador has been here all morning at Casa de Nariño. He had a meeting with opinion leaders, business leaders and people from the mass media, and a second meeting with members of the Colombian Congress, specifically the Committee of Foreign Affairs, the Economic Committee, and the Agriculture Committee. He has just finished a meeting of an hour and fifteen minutes meeting with President Uribe, the Minister Botero, the Minister of Foreign Affairs, the Minister of Defense, the Minister of Agriculture, and Ambassador Luis Alberto Moreno.

Minister Botero will deliver a statement on the meetings today and then Ambassador Zoellick will make his comments.

MINISTER JORGE HUMBERTO BOTERO: Good morning everybody. Since the beginning of this year, the government of Colombia has formally expressed to the Government of the United States its interest in advancing a Free Trade Agreement between the two countries.

That wish of the Colombian Government is due to the conviction that a Free Trade Agreement with our main trade partner would have a very positive impact on the growth of the economy, generating jobs, increasing the wealth of the nation, and strengthening our exports.

Pursuing this objective, we will have had many meetings. The most recent one is the one we had today. I am sure that Ambassador Zoellick has been able to discover that our business community, our public opinion leaders, a group of members of Congress and the National Government -- all of them support this initiative of Mr. Uribe.

We have made progress in the realization of our objective. Ambassador Zoellick on behalf of our two governments will express how much we have advanced today.

ROBERT ZOELLICK: Let me begin by apologizing, I have to catch a plane so I am going to be very brief but I'll try to make a statement and then try to answer a couple of your questions.

First, I want to say how pleased I am to be back in Colombia. I was here for President Uribe's inauguration, almost exactly a year ago. I'm proud to consider myself a friend of Colombia, and I have extraordinary respect for what the President and his team have accomplished over the past year. But I was also very pleased that I had the chance to meet with members of the Congress and members of the business community, because part of my purpose was to listen and to learn from them about the deeper and stronger economic relationship between the United States and Colombia.

But I also want to make a point that I expressed to the President and others, which is that I have the strongest personal respect for the personal courage and fortitude of the President and his team. They are true patriots at a critical time in their country's history and one cannot help but be impressed by what they are seeking to accomplish. As many of you know, President Bush, following his meeting with President Uribe in April in Washington, asked me to visit President Uribe to see how we could expand our economic ties, and to help me learn more about the interests of Colombia in a possible Free Trade Agreement.

The starting point is the ATPA, the Andean Trade Preference Act, and we're delighted that since that went into effect again about a year ago, the progress has been quite extraordinary. U.S. imports from Colombia so far this year are up about 30%, that's three times the rate of increase **in imports** we see for the rest of the world. The benefits in the areas where we expanded product coverage are quite amazing. Apparel exports are up to 55%, footwear up 40%, and the Government of Colombia estimates that with the renewed Andean Trade Preference Act that there will be about another 200,000 jobs created on top of the first 150,000 jobs. And that's what trade is about, creating jobs and opportunity and hope.

Minister Botero and I have also been working closely on negotiations related to the ALCA and the WTO, which are a very important part of our agenda. President Bush asked me to visit President Uribe and his team to discuss the particular elements of a Free Trade Agreement as negotiated by the United States. The reason we do this is that different countries have different approaches to free trade agreements. Some call it a free trade agreement but they may not be very extensive. In the case of the United States, they are very comprehensive in coverage and they move towards total free trade in consumer industrial goods, agriculture, services, intellectual property, government procurement, **and have** provisions dealing with the environment and the labor area. So it's a decision that if a country decides to proceed, **it** can give them a very special economic relationship with the United States, but it takes a lot of work. Based on the discussions that I had today, my next step is to report back to President Bush and I have a very positive sense of my visit here. We, in my view, can now begin to work towards the possibility of negotiating a Free Trade Agreement. That means we have some issues we still have to clear up under the Andean Trade Preference Act, and if we proceed we will then also have to figure out how the United States will approach some of the other countries that are members of the ATPA that have been interested in free trade, and we also need to work together closely in the ALCA where we share a common interest.

As Minister Botero said, the purpose of this day was an exploratory day; I think that's exactly what we've done, and for me it has been a very positive exploration, so I return to Washington with a sense that we will look to try to see how we can move this forward the next step, towards possibly launching the negotiations. I suggested to President Uribe that one important next step would be this autumn in October or November that we have a group from Colombia come and visit Regina Vargo, who is our Chief negotiator for Chile

and now CAFTA to review the Chile Free Trade Agreement and come with any questions so that we could make sure that everyone is comfortable with proceeding.

I would let Minister Botero speak for Colombia, but my sense was that President Uribe thought that it was a very good suggestion so we could keep up the momentum we have in this trade relationship.

PHIL STEWART - REUTERS: Secretary Snow, on a recent visit, said he wasn't interested in a FTA, that the Administration wasn't interested in a FTA with Colombia, rather a FTAA. What has changed? Is this a reward in some respects for Uribe's efforts on the drug war and security?

ROBERT ZOELLICK: I guess I will have to differ a little bit with your characterization about what Secretary Snow said. I actually just saw Secretary Snow a couple of days ago and we talked about the importance of good trade and economic relationships with the whole hemisphere, but also my planned visit to Colombia. The United States has a very strong interest in moving the ALCA forward for all 34 countries. The United States and Brazil as co-chairs are trying to move that forward before the Miami Ministerial.

But we have believed along the way that we can move forward trade relations with individual countries or regions at the same time we are moving forward the ALCA. So, for example, Congress has passed by a large margin a Free Trade Agreement with Chile. We already have a free trade agreement with Canada and Mexico. By the end of the year, we hope to complete our negotiations with the five Central American countries. I just **sent** a notice to Congress about trying to move forward with the Dominican Republic, perhaps as part of the CAFTA.

The key point here is, we work very hard together to extend the Andean Trade Preference Act. That expires in 2006. There was always the concept that that would lead towards a more equal two-way trade relationship and we believe that can be partly done as an ALCA process but given the interest of President Uribe and the seriousness with which they have taken the approach that we have outlined for free trade agreements, we believe that's worth further exploratory discussions.

Rosalba Cubillos, daily La Republica: What are the elements that could be obstacles to an FTA with the United States, for example investment and intellectual property?

ROBERT ZOELLICK: Well, if you wish to know what our free trade agreements cover, you can check on our Website. Because there, for example, is the Chile agreement, which is some 300 pages long with 500 pages of annexes, in English as well as Spanish, I believe.

I think the point is that they are comprehensive agreements. We know that one of the most sensitive areas in Colombia is agriculture. That is a topic that came up with both the business community and members of Congress. We have seen some changes in Colombian agriculture that have benefited from trade. For example, the horticulture

industry moving to cut flowers, an industry that barely existed some 10 years ago. Now it has almost a half of billion dollars of exports to the United States.

Part of what I was discussing today was to get a better understanding of Colombia's development plans, recognize the importance of rural development, fighting narcotics, fighting guerrillas and terrorism, and try to see how this can become a win-win venture, both to lower the price of food for people in Colombia with U.S. exports but also to get exports from Colombia.

Intellectual property is one where this is obviously the decision of the Colombian Government, but higher intellectual property rules will help Colombia become a leader in a knowledge-based economy. You have a large number of highly trained university graduates. If you are going to draw investment in businesses based on **the** knowledge industry you need to have intellectual property rules that are suitable for a digital economy.

You mentioned investment. We do have some investment issues under the Andean Trade Preference Act that we need to continue to work with Colombia on, but investment is the source of jobs and technology. So I believe that Colombia, like other countries, is seeking additional capital and investment.

So what I would summarize is that we do not see free trade agreements as zero sum trade offs, where one wins and one loses. The challenge is to make it a win-win venture, **where** both sides can benefit. To do that, however, one needs to have a better understanding of the sensitivities in the United States and Colombia so that we can work with the problems to move towards total free trade. And today was an important opportunity for me to speak to the President of Colombia about the elements of that and get some feedback from different parties. It is one important step, there will be other steps that need to be done further; but I think today was a very positive step in terms of trying to look towards the possibility of a free trade agreement.

MC: Mr. Ambassador your people here are telling me that you are running out of time, and you have to run otherwise you'll lose your plane. Thank you so much for being with us here.

ROBERT ZOELLICK: And let me apologize to all of you. I normally would have liked to stay later, but this is my third trip to Colombia so obviously I come back relatively often, and you'll have another chance I hope. Thank-you.